



CardioMag ImagingTM



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CardioMag's Heart-Health Scanner Receives International Marketing and Product Quality Certification

- Company Expects to serve markets in Europe, Canada and Asia -

Schenectady, NY, August 9, 2004: CardioMag has received comprehensive approvals and international quality certificates to distribute its new, non-invasive magnetocardiograph (MCG) medical diagnostic systems in Europe, Canada and elsewhere.

Certifications now received include the prestigious CE mark for Europe, International Standards ISO 9001 and ISO 13485 Quality Management and Quality Assurance Standards, Medical Device Directive, FDA Drug and Cosmetics Act, Good Manufacturing Practices (GMP) for Medical Devices as well as Canadian Medical Devices Regulations and U.L. certification for Safety of its 2409 MCG system. All of these provide customer quality assurance and support the recently announced FDA approval to sell CMI's systems to the cardiology diagnostic market in the USA.

CardioMag's systems are expected to be introduced to hospitals, diagnostic imaging centers, and research institutions for use in rapid and accurate diagnosis of cardiac health or diseases which cause altered electrical activity in the heart. The most prominent of these illnesses is coronary artery disease, but several institutions are already using MCG to monitor other cardiac events and to detect the source of life-threatening arrhythmias. Applications for this new modality will expand through cardiology expertise and the imagination of the user. With CMI's new MCG systems already installed in Germany, Italy and China for research purposes, the CE certification and the wealth of data being generated in numerous clinical trials in the U.S. and around the world now open up a clinical market eager for an improved non-invasive device that will provide more accurate and fast diagnostic assessments. The Company has offered to provide a system to the Director of the White House Medical Unit, acceptance of which could possibly set the stage for nationwide screening for indications of heart function disorders.

CardioMag ImagingTM, Inc., a privately held company formed in 1999, has sold MCG systems in Europe and Asia, and the recent FDA clearance now opens up the largest medical equipment market in the world. At less than half the price of an MRI machine, CardioMag's MCG system will bring a cost-effective new device to assist cardiac health care. The Company is in the process of raising \$12 million equity capital for expansion and beginning of worldwide marketing.

Safe Harbor Statement: The statements presented in this press release which are not historical facts are forward looking statements which involve various important assumptions, risks, uncertainties and other factors set forth here, including but not limited to, market acceptance by healthcare providers, obtaining FDA approval for future claims, insurance reimbursement policies, and growth of the market.

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